



To: Mayor and Councilmember

From: Finance Director Neubauer

Date: May 8, 2003

RE: Storm water utility

BACKGROUND

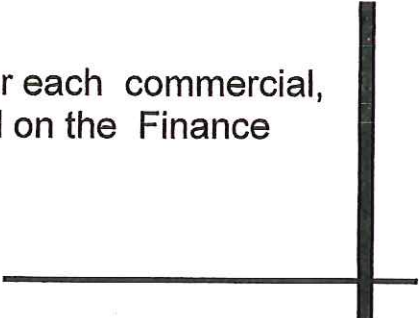
In 2001 Council adopted a Storm Water Utility Ordinance and fee to deal with storm water. The fee was implemented to help defray maintenance costs and to build up funds for pond retention.

The fee adopted in July 2001 was \$1.00 per living unit for residential and \$1.00 per water service connection for commercial/industrial. Council realized that commercial and industrial properties do contributed more storm water to the system then residential property, but decided to delay further fees until a later date.

RECOMMENDATION

The city engineer and staff were directed to calculate specific commercial/industrial/other fees based on the industry standard for storm water utility fee. The REF (Residential Equivalent Factor) being recommended by the Finance Committee is 4.5 per acre of impervious surface (building, parking lot, etc) . The fee is \$4.00 per acre. A maximum fee of \$4.50 per property, based on 1/4 of a acre or less, is being recommended.

Attached please find a listing of the calculations made for each commercial, industrial, church, school and governmental parcel based on the Finance Committee's recommendation.



1140.16 Senior Citizen Discount. All users of the City's sewer system aged 65 years or older and occupying a homesteaded residence shall receive a ten percent (10%) discount from the sewer use rates. This discount shall be automatically provided after the user has provided the Clerk-Administrator with sufficient proof of age and residence.

1140.17 Penalties and Collection.

Subd. 1 Lien and Assessment. Each and every sewer service charge levied by and pursuant to this Section shall be made a lien upon the lot or premises served, and all such charges which are on November 30 of each year past due and delinquent, shall be certified to the County Auditor as taxes or assessments on the real estate. Nothing in this Section shall be held or construed as in any way stopping or interfering with the right of the City to levy as taxes or assessments against any premises affected any delinquent or past due sewer service charges.

Subd. 2 Civil Action. As an alternative to levying a lien, the City may, at its discretion, file suit in a civil action to collect such amounts as are delinquent and due against the occupant, owner, or user of the real estate, and shall collect as well all attorney's fees incurred by the City in filing the civil action. The attorney's fees shall be fixed by order of the court.

Subd. 3 Interest. In addition to all penalties and costs attributable and chargeable to recording notices of the lien or filing a civic action, the owner or user of the real estate being serviced by the treatment works shall be liable for interest upon all unpaid balances at the rate of 8% per annum, or the minimum then allowable by statute.

Subd. 4 Shutoff. Procedures for shutoff of delinquent accounts shall be as per Section 1120.26.

1140.18 Relation to Other Laws. The sewer service charge system shall take precedence over any terms or conditions of agreements or contracts which are inconsistent with the requirements of section 204(b) (1) (A) of the Act and Federal regulation 40 CFR (Code of Federal Regulations) 35.2140 of the Environmental Protection Agency's grant regulations.

Section 1150 - Storm Water Utility

1150.01 Storm Water Utility Established. The municipal storm drainage system shall be operated as a public utility pursuant to Minn. Stat. § 444.075 from which revenues will be derived subject to the provisions of this Chapter and the Minnesota Statutes. The administrator of the storm drainage system shall be the City Administrator of the City.
(Ord. 2001-05, passed 7-24-01)

1150.02 Storm Drainage Fees.

(a) **Definitions.** Residential Equivalent Factor (REF) - One (1) REF is defined as the ratio of the average volume of runoff generated by one (1) acres of a given land use to the average volume of runoff generated by one (1) acre of typical single-family residential land, during a standard one (1) year rainfall event.

(b) **Storm Drainage Fees.** Storm drainage fees for parcels of land that are classified as Commercial, Industrial, Public Schools, Government Buildings, and Churches shall be determined by multiplying the REF for a parcel's land use by the impervious surface, and then multiplying the resulting product by the storm drainage rate. The storm drainage rate shall be \$4.00 per month. A minimum fee of \$4.50 based on 1/4 acre or less shall be charged per month. The REF values for various land uses are as follow:

<i>Land Uses</i>	<i>REF</i>
Commercial	4.5
Industrial	4.5
Public Schools, Government Buildings, Churches	4.5

For the purpose of calculating storm drainage fees, all developed living units (single-family, duplex, triples sites, condominium units, townhouse units, apartments, and mobile home sites) shall be charged \$1.00 per living unit per month.

Fees will be reviewed annually as part of the Fee Structure.

(c) **Credits.** The Council may consider adjustment of the storm drainage fee for parcels based upon hydrologic data to be supplied by property owners, which data demonstrates a hydrologic response substantially different from the standards. Such adjustments of storm drainage fees shall not be made retroactively.

(Ord. 2001-05, passed 7-24-01; Am. Ord. 2003-10, passed 5-13-03)

1150.03 Exemptions. The following land uses are exempt from storm drainage fees:

- (a) Public rights-of-way;
- (b) Vacant, unimproved land with ground cover;
- (c) Parks, cemeteries and golf courses;
- (d) Undeveloped agricultural land which does not contribute storm water runoff into the City's storm drainage system.

(Ord. 2001-05, passed 7-24-01)

1150.04 Billing and Collections. Bills for the charges for the use and service of the storm drainage system shall be prepared by the City, in accordance with its usual and customary practices. The time of preparing such bills and the period covered thereby shall be in accordance with the practices of the City. All bills shall be payable to the City.

(Ord. 2001-05, passed 7-24-01)

1150.05 Revenues, Deposits, and Disbursements. The revenues derived from the rates and charges shall be deposited with the City Administrator in the Storm Drainage Fund. The revenues shall be used solely for the purpose of paying the costs of administration, operation, and maintenance of the storm drainage facilities, including street sweeping, and to pay the interest and principal on any bonds of the City which have been issued or shall be issued on account of the construction of said facilities, and to maintain an equipment and replacement fund for use at any time in making repairs to the storm drainage facilities.

(Ord. 2001-05, passed 7-24-01)

1150.06 Unpaid Charges; Assessment. On or before November 1 of each year, the City Administrator shall certify a list of unpaid accounts showing the names and addresses of all unpaid storm drainage accounts up to September 30 of that year. On or before November 25, the City Council shall assess the unpaid accounts against the property receiving the use and service of the storm drainage system(s), which said assessments, including interest at the lawful rate from October 1 to May 31 following, shall be certified against the affected properties as shown in the assessment tabulation, and shall be collected in the same manner as other special assessment. The sum collected, together with interest, shall be credited to the Storm Drainage Fund.

(Ord. 2001-05, passed 7-24-01)

1150.07 Periodic Review of Charges. The City Council will review the storm drainage charge system established herein on an annual basis. Thereafter, the Council may periodically revise the rate charged for storm drainage service to reflect any change in the cost of providing said service.

(Ord. 2001-05, passed 7-24-01)

Section 1160 - Sub-Drains

1160.00 Sub-Drains Defined. Sub-drains shall mean a 4-inch line provided in some subdivisions with a lateral brought into each separate property to provide means of the disposing of ground water from foundation drain tile, sump baskets and ground water sump pumps only. Under no circumstance shall the sub-drain be used for the disposal of any other substance under penalty of law.

(Ord. 2004-14, passed 12-14-04)

1160.01 Specifications. In subdivisions where sub-drains are provided, the sub-drain shall be stubbed 9 feet in to the structure side of the utility easement into the property and 1 foot offset from the sanitary sewer. Sub-drain extension to the building shall be a minimum of 4 inch diameter schedule SDR 35, impervious with end caps painted pink and labeled sub-drain. The

ORDINANCE NO. 2003-
AN ORDINANCE AMENDING 2001-5

Be it ordained by the City Council of the City of Stewartville, Minnesota as follows:

That the City of Stewartville Ordinance 2001-5 be amended to read as follows:

.02a Definitions

Residential Equivalent Factor, (REF) – One (1) REF is defined as the ratio of the average volume of runoff generated by one (1) acres of a given land use to the average volume of runoff generated by one (1) acre of typical single-family residential land, during a standard one (1) year rainfall event.

.02b Storm Drainage Fees

Storm drainage fees for parcels of land that are classified as Commercial, Industrial, Public Schools, Government Buildings, and Churches shall be determined by multiplying the REF for a parcel's land use by the impervious surface, and then multiplying the resulting product by the storm drainage rate. The storm drainage rate shall be \$4.00 per month. A minimum fee of \$4.50 based on ¼ acre or less shall be charged per month. The REF values for various land uses are as follow:

Land Uses	REF
Commercial	4.5
Industrial	4.5
Public Schools, Government Buildings, Churches	4.5

For the purpose of calculating storm drainage fees, all developed living units (single-family, duplex, triples sites, condominium units, townhouse units, apartments, and mobile home sites) shall be charged \$1.00 per living unit per month.

Fees will be review annually as part of the Fee Structure.

.02c Credits

The Council may consider adjustment of the storm drainage fee for parcels based upon hydrologic date to be supplies by property owners, which data demonstrates a hydrologic response substantially different from the standards. Such adjustments of storm drainage fees shall not be made retroactively.

Adopted by the City of Stewartville this 13th day of May, 2003.

Attest:

Chris Gray, Mayor

Tony R. Chladek
City Administrator

CHAPTER ____

STORM WATER UTILITY

The City Code of the city of Stewartville is amended by adding a new Chapter ____ to read as follows:

STORM WATER UTILITY

___.01 STORM WATER UTILITY ESTABLISHED

The municipal storm drainage system shall be operated as a public utility pursuant to Minnesota Statutes Section 444.075 from which revenues will be derived subject to the provisions of this Chapter and Minnesota Statutes. The administrator of the storm drainage system shall be the city administrator of the city of Stewartville.

___.02 DEFINITIONS

Residential Equivalent Factor, (REF) – One (1) REF is defined as the ratio of the average volume of runoff generated by one (1) acre of a given land use to the average volume of runoff generated by one (1) acre of typical single-family residential land, during a standard one (1) year rainfall event.

___.03 STORM DRAINAGE FEES

Storm drainage fees for parcels of land shall be determined by multiplying the REF for a parcel's land use by the parcel's acreage, and then multiplying the resulting product by the storm drainage rate. The REF values for various land uses are as follows:

For the purpose of calculating storm drainage fees, all developed single-family, duplex, triplex sites, condominium units, townhouse units, and mobile home sites shall be considered to have an acreage of 1/4 acre. The storm drainage rate shall be \$4.00 per month per REF acre.

Classification	Land Uses	REF
1	Single-Family, Duplex, & Triplex Residential, Condos, Townhouses & Mobile Homes	1.0
2	Multiple-Family Residential	2.3
3	Commercial	4.5
4	Industrial	3.0
5	Public Schools, Government Buildings, Churches	1.6

Living unit.

___.04 CREDITS

43,560 sq ft

The council may adopt policies by resolution for adjustment of the storm drainage fee for parcels based upon hydrologic data to be supplied by property owners, which data demonstrates a hydrologic response substantially different from the standards. Such adjustments of storm drainage fees shall not be made retroactively.

.05 EXEMPTIONS

The following land uses are exempt from storm drainage fees:

- (a) Public rights-of-way
- (b) Vacant, unimproved land with ground cover
- (c) Parks, cemeteries and golf courses
- (d) Undeveloped agricultural land which does not contribute storm water runoff into the city's storm drainage system.

.06 BILLING AND COLLECTIONS

Bills for the charges for the use and service of the storm drainage system shall be prepared by the city of Stewartville, in accordance with its usual and customary practices. The time of preparing such bills and the period covered thereby shall be in accordance with the practices of the city of Stewartville. All bills shall be payable to the city of Stewartville.

.07 REVENUES, DEPOSITS, AND DISBURSEMENTS

The revenues derived from the rates and charges shall be deposited with the city administrator in the Storm drainage Fund. The revenues shall be used solely for the purpose of paying the costs of administration, operation, and maintenance of the storm drainage facilities, including street sweeping, and to pay the interest and principal on any bonds of the city which have been issued or shall be issued on account of the construction of said facilities, and to maintain an equipment and replacement fund for use at any time in making repairs to the storm drainage facilities.

.08 UNPAID CHARGES; ASSESSMENT

On or before November 1 of each year, the city administrator shall certify a list of unpaid accounts showing the names and addresses of all unpaid storm drainage accounts up to September 30 of that year. On or before November 25, the city council shall assess the unpaid accounts against the property receiving the use and service of the storm drainage system(s), which said assessments, including interest at the lawful rate from October 1 to May 31 following, shall be certified against the affected properties as shown in the assessment tabulation, and shall be collected in the same manner as other special assessment. The sum collected, together with interest, shall be credited to the Storm drainage Fund.

.09 PERIODIC REVIEW OF CHARGES

The city council will review the storm drainage charge system established herein on an annual basis. Thereafter, the council may periodically revise the rate charged for storm drainage service to reflect any change in the cost of providing said service.

This ordinance shall be in full force and effect _____, 2001.

STORM WATER UTILITY Ordinance

The City Code of the city of Stewartville is amended by adding a new Chapter to read as follows:

STORM WATER UTILITY

.01 STORM WATER UTILITY ESTABLISHED

The municipal storm drainage system shall be operated as a public utility pursuant to Minnesota Statutes Section 444.075 from which revenues will be derived subject to the provisions of this Chapter and Minnesota Statutes. The administrator of the storm drainage system shall be the city administrator of the city of Stewartville.

.02 STORM DRAINAGE FEES

Storm drainage fees will be collected on a monthly basis according to the following schedule:

Residential = \$1.00 per living unit per month

Commercial = \$1.00 per water service connection per month

Industrial = \$1.00 per water service connection per month

.03 EXEMPTIONS

The following land uses are exempt from storm drainage fees:

- (a) Public rights-of-way
- (b) Vacant, unimproved land with ground cover
- (c) Parks, cemeteries and golf courses
- (d) Undeveloped agricultural land which does not contribute storm water runoff into the city's storm drainage system.

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Bills for the charges for the use and service of the storm drainage system shall be prepared by the city of Stewartville, in accordance with its usual and customary practices. The time of preparing such bills and the period covered thereby shall be in accordance with the practices of the city of Stewartville. All bills shall be payable to the city of Stewartville.

.05 REVENUES, DEPOSITS, AND DISBURSEMENTS

The revenues derived from the rates and charges shall be deposited with the city administrator in the Storm drainage Fund. The revenues shall be used solely for the purpose of paying the costs of administration, operation, and maintenance of the storm drainage facilities, including street sweeping, and to pay the interest and principal on any bonds of the city which have been issued or shall be issued on account of the construction of said facilities, and to maintain an equipment and replacement fund for use at any time in making repairs to the storm drainage facilities.

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.07 PERIODIC REVIEW OF CHARGES

The city council will review the storm drainage charge system established herein on an annual basis. Thereafter, the council may periodically revise the rate charged for storm drainage service to reflect any change in the cost of providing said service.

This ordinance shall be in full force and effect July 24, 2001.

ATTEST:

Chris Gray, Mayor

Larry D. Hansen
Larry D. Hansen, City Administrator